

Proclamation 4511

June 24, 1977

Implementation of Orderly Marketing Agreement on Certain Color Television Receivers

By the President of the United States of America

A Proclamation

1. On March 22, 1977, the United States International Trade Commission (USITC) reported to the President (USITC Publication 808) the results of its investigation under subsection (b) of section 201 of the Trade Act (19 U.S.C. 2251 (b)) (the Trade Act). The USITC determined that color television receivers assembled or not assembled, finished or not finished, provided for in item 685.20 of the Tariff Schedules of the United States (TSUS) are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. By an evenly divided vote, three USITC Commissioners determined serious injury to exist in the monochrome television receiver industry and three Commissioners made no determination of injury with respect to the monochrome receiver industry. The Commissioners also had an evenly divided determination on the question of injury to that portion of the industry producing subassemblies of color television receivers, also provided for in item 685.20 of the TSUS. On those articles on which an injury determination was made, the Commission recommended the imposition of an increased tariff. 19 USC 1202.

2. Pursuant to section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)), in the case of an evenly divided vote on serious injury the President may consider the determination agreed upon by either group of Commissioners as the determination of the Commission. On May 19, 1977, I determined to accept the determination of those Commissioners making no determination of injury to the monochrome television receiver industry as the determination of the Commission and to accept the determination of those Commissioners finding serious injury to that portion of the industry producing subassemblies of color television receivers as the determination of the Commission.

3. On May 19, 1977, pursuant to Section 202(b)(1) of the Trade Act (19 U.S.C. 2252(b)(1)), and after taking into account the considerations specified in section 202(c) of the Trade Act (19 U.S.C. 2252(c)), I determined to remedy the serious injury found to exist by the USITC through the negotiation of an orderly marketing agreement with Japan, the major supplier of color television receivers to the U.S. market, pursuant to section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)); and announced my intention to conclude such an agreement limiting the export from Japan into the United States of color television receivers and certain of their subassemblies, and setting conditions under which the United States would limit imports into the United States of such articles. On May 19, 1977, in accordance with section 203(b)(1) of the Trade Act (19 U.S.C. 2253(b)(1)), I transmitted a report to the Congress setting forth my determination and intention to conclude an orderly marketing agreement and stating the reasons why my decision differed from the action recommended by the USITC.

4. Section 203(e)(1) of the Trade Act (19 U.S.C. 2253(e)(1)) requires that import relief be proclaimed and take effect within 90 days after a Presidential determination to negotiate an orderly marketing agreement.

USC prec. title 1.

5. Pursuant to the authority vested in the President by the Constitution and the statutes of the United States, including section 203(a)(4) of the Trade Act (19 U.S.C. 2253(a)(4)), an orderly marketing agreement was concluded on May 20, 1977, between the Government of the United States of America and the Government of Japan, limiting the export from Japan to the United States of color television receivers and certain subassemblies thereof, for a period of three years beginning July 1, 1977, to 1.75 million units in each annual restraint period, and setting forth conditions under which limitations would be placed on the importation into the United States of such articles by the Government of the United States. The agreement shall be implemented by the terms of the Notes exchanged and as directed in this proclamation.

6. In accordance with section 203(d)(2) of the Trade Act (19 U.S.C. 2253(d)(2)), I have determined that the level of import relief hereinafter proclaimed permits the importation into the United States of a quantity or value of articles which is not less than the average annual quantity or value of such articles imported into the United States from Japan in the 1972-1975 period, which I have determined to be the most recent representative period for imports of such articles.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including section 203 of the Trade Act (19 U.S.C. 2253) and section 301 of Title 3 of the United States Code, do hereby proclaim:

(1) An orderly marketing agreement was entered into on May 20, 1977, between the Government of the United States of America and the Government of Japan with respect to the trade in certain articles of color television receivers effective July 1, 1977. The orderly marketing agreement with Japan accounts for a major part of the United States imports of the articles covered by the agreement. The orderly marketing agreement is to be implemented according to its terms and as directed in this proclamation.

(2) The President's authority under section 203(e)(2) of the Trade Act (19 U.S.C. 2253(e)(2)) to negotiate orderly marketing agreements with other foreign suppliers of articles subject to this proclamation after any import relief proclaimed pursuant to Sec. 203(a)(1)(2)(3) or (5) takes effect, is hereby delegated to the Special Representative for Trade Negotiations (hereinafter referred to as the "Special Representative"). The President's authority under section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)) to determine that any agreement negotiated pursuant to section 203(a)(4) or (5) or 203(e)(2) of the Trade Act (19 U.S.C. 2253(a)(4)(5) and (e)(2)) is no longer effective is hereby delegated to the Special Representative, to be exercised in conformity with paragraph (4) below. In the event of such a determination, the Special Representative shall prepare any proclamations that may be appropriate to implement import relief authorized by section 203(e)(3) of the Trade Act (19 U.S.C. 2253(e)(3)).

(3) The President's authority in section 203(g)(1) and (2) of the Trade Act (19 U.S.C. 2253(g)(1) and (2)) to prescribe regulations governing the entry or with-

drawal from warehouse of articles covered by the orderly marketing agreement and to issue rules and regulations governing the entry, or withdrawal from warehouse, for consumption of like articles which are the product of countries not parties to such agreement, has been delegated to the Secretary of the Treasury pursuant to section 5(b) of Executive Order No. 11846. Such authority shall be exercised by the Secretary of the Treasury, upon direction by the Special Representative, in consultation with representatives of the member agencies of the Trade Policy Staff Committee.

19 USC 2111
note.

(4) In exercising the authority delegated in paragraphs (2) and (3) above, the Special Representative shall, in addition to other necessary actions, institute the following actions:

(a) Statistics on imports from Japan and from all other sources of articles covered by the agreement shall be collected on a monthly basis. Should the export restraint level specified in the orderly marketing agreement with the Government of Japan be exceeded, or should imports from countries not parties to such agreement increase in such quantities so as to disrupt the effectiveness of the orderly marketing agreement, the Special Representative, after consultation with representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of section 203(e) (3) of the Trade Act the orderly marketing agreement does not continue to be effective.

19 USC 2253.

(b) With respect to the products of Japan, beginning on July 1, 1977, the Special Representative may direct the Commissioner of Customs to restrict the entry, or withdrawal from warehouse, for consumption of articles subject to the orderly marketing agreement which are not accompanied by a valid export certificate showing authorization for export to the United States pursuant to the provisions of the agreement.

(c) With respect to the products of Japan, entry, or withdrawal from warehouse, for consumption of articles not accompanied by a valid export certificate will be denied for the remainder of a restraint year should the total amount of such articles entered, or withdrawn from warehouse, for consumption in the United States reach three percent of the level for that restraint period specified in the agreement.

(d) With respect to the products of other countries, beginning on July 1, 1977, if the quantity of imports of all other countries, excluding Japan, of the articles subject to import relief under this proclamation appear likely during a 12 month period to disrupt the effectiveness of the orderly marketing agreement, the Special Representative may initiate consultations with those countries responsible for such disruption and may prevent further entries of such articles for the remainder of the restraint period or otherwise moderate or restrict the imports from such countries pursuant to section 203(g) (2) of the Trade Act, (19 U.S.C. 2253(g) (2)). Before exercising this authority, the Special Representative shall consult with representatives of the member agencies of the Trade Policy Staff Committee.

(e) Should the Special Representative determine to institute import restrictions on articles entered, or withdrawn from warehouse, for consumption from Japan or from other countries pursuant to paragraphs (2) and (4) (d) of this proclamation, such action shall become effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the FEDERAL REGISTER.

19 USC 1202.

(5) The Special Representative shall take such actions and perform such functions for the United States as may be necessary concerning the administration, imple-

19 USC 1202.

mentation, modification, amendment or termination of the agreement described in paragraph (1) of this proclamation and any actions and functions necessary to implement paragraphs (2), (3) and (4) of this proclamation. In carrying out his responsibilities under this paragraph the Special Representative is authorized to delegate to appropriate officials or agencies of the United States authority to perform any functions necessary for the administration and implementation of the agreement or actions. The Special Representative is authorized to make any changes in Part 2 of the Appendix to the TSUS which may be necessary to carry out the agreement or actions. Any such changes in the agreement shall be effective on or after their publication in the **FEDERAL REGISTER**.

(6) The Commissioner of Customs shall take such actions as the Special Representative shall determine are necessary to carry out the agreement described in paragraph (1) of this proclamation and to implement any import relief pursuant to paragraphs (2), (3) and (4) of this proclamation, or any modification thereof, with respect to the entry or withdrawal from warehouse, for consumption into the United States of products covered by such agreement or by such other import relief.

(7) The USITC shall issue reports and conduct the following surveys with respect to color television receivers and related products:

(a) *Quarterly*. Surveys by calendar quarter to obtain from producers in the United States monthly data on production, shipments, inventories, employment man-hours, and prices, and other economic factors indicative of conditions in the U.S. industry. The initial surveys shall cover the fourth quarter of 1976 and the first two quarters of 1977. Subsequent surveys shall cover individual quarters with the last such survey covering the quarter which ends not less than 60 days prior to the termination of the import relief. The USITC shall publish the results of the initial surveys by September 1, 1977 and the results of later surveys within 45 days of the end of the surveyed quarter.

(b) *Annual*. Annual surveys to obtain data from producers in the United States by calendar quarter on profits, capacity, and annual data on capital expenditures and research and development expenditures; and to obtain from importers data by calendar quarter on prices, orders, and inventories. The initial surveys shall cover the calendar year 1976 and the calendar year 1977, and the results shall be published by March 31, 1978. The results of subsequent surveys shall be published by March 31 of each year thereafter so long as the import relief is in effect.

(8) The proclamation shall be effective as of July 1, 1977, and shall continue in force through June 30, 1980, unless the period of its effectiveness is earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fourth day of June in the year of our Lord, nineteen hundred and seventy seven, and of the Independence of the United States of America the two hundred and first.

JIMMY CARTER